

## Concerned Members report and comments on the Board meeting of SLPPOA – January 10, 2023

*NOTE: this is not the official Board meeting minutes that the Board is responsible for producing.*

Author's comments:

- The Salazar debacle has been a time and money waster. *Because there was no contract, minimal oversight on the project, lack of Board approval for the project, and poor project planning, our community still has an unfinished water line project, that is going to cost us more money in Spring to fix.*
- The Board is now without a president. *Their solution is to put out a letter looking for a warm body to take over the chair....but can they add a 10<sup>th</sup> board member without member vote?*
- A [reserve policy](#) is being discussed. *Finally a control and approval process has been proposed to prevent any Board member or contractor from dipping into the reserves without authorization.*
- Turning off water of delinquent accounts is being considered. *It's about time the Board takes a more aggressive action to collect. We are not a charity.*
- Next meeting will be an in-person meeting. *Meeting in person will bring a better understanding of our problems and more participation in these meetings.*

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Board members present: Rigney, Star, Dewitt, Babicz, Toennis

Absent – Cross (*3<sup>rd</sup> absence- she should be taken off the board*), Stuedell. Cooke attending late.

Guest Corn, Van Ruyckevelt, J. Hines (water operator)

**Called to order 6:37**

Agenda approved, minutes approved Star abstained.

**President** – Rigney.

The deteriorating condition of the SLP website was discussed and a member of the association may be interested.

A potential garbage service may be available to assist with garbage pickup in SLP and other homeowner's needs such as hauling junk. The owner needs 75 people to sign up to start the service. Homeowners can contact Junk-It Hauling & Moving Services LLC. at  
Junkitnm.com.

Here are the highlights of the Salazar Construction debacle:

Not all the new members on the 2023 Board had involvement with this and we do not blame them for the incompetence of former directors.

- The Salazar meadow line replacement construction debacle is not over.
- The construction started in Aug 2022 remains incomplete. We will have to hire another contractor in Spring to complete the job; cost remains unknown. Salazar has proposed to return in Spring to finish the job. The legal issue if he is not allowed to return remains unclear.
- According to the water operator the cost of the project was to be \$16,300 that didn't include materials. Star questioned why we paid Salazar \$36,178.29. Hines admitted that the invoicing was not well defined and that he didn't pay much attention to the billing. It remains unknown whether the payment to Salazar is accurate or an overpayment.
- The contractor was fired by the water operator *who has no authority to hire or fire*. The firing was explained as a disconnect between Hines and Salazar over delays, and "off the wall" stories relayed by the contractor.
- Salazar was given the freedom to come and go so he could fit other projects into his schedule during his work in SLP.
- Rigney claimed to excuse using reserve funds because the line replacement was an emergency. Star disagreed that his interpretation of emergency was wrong. There was no "emergency" as there was no visible leaks and that the 300,000 gal/mon. loss has been ongoing for years.
- Salazar, after his firing, submitted a bill for an additional \$44,000. The Board determined based on data from Hines that Salazar was paid in full, *however due to lack of a written contract, the association could now be facing a possible lawsuit or mechanics lien due to Board incompetence*.
- The board gave control of the line replacement project to the water operator who only had a verbal agreement with the contractor. Van Ruyckevelt questioned why there was no contract or approval by the Board and that if we should end up in court, we may lose the case. She expressed her concern with the Board's excuses on the mismanagement and inability to follow policy.

Rigney noted that this meeting was his last official day as president and that he hadn't decided whether to stay on the Board. Star asked Dewitt, vice president and secretary Babicz both who declined to take on the position The Board decided to write a letter to the members asking for someone to step up and fill the position.

**Vice President –Dewitt**

Dewitt suggested that we send the Ashley Lane documentation to the attorney. Star suggested that we wait until the issue was brought up again before incurring more legal IOU's.

**Secretary –Babicz**

Babicz explained that Cross still hasn't given her the secretary laptop or has been coached on the secretary duties. *She's been the secretary since Oct. and is still without the needed tools/information to do her job.*

**Treasurer –Star**

The audit/tax service preparation was approved for \$3575. The former Board only budgeted for \$500. *Appears someone needs to be paying better attention when creating a budget.*

End of year balances:

Operating account– \$55,875.11

Reserve account- \$43,681.54

It should be noted that a 2017 reserve study recommended that the association should have \$147,000 in the fund by 2023. *The Board has been negligent in preserving the reserve fund for one of our most critical assets; replacement of a well.*

\$666.63 transferred to the reserve acct.

Prepaid assessments for 2023 total \$45,793.36.

38 members have paid in full

9 have made partial payments. This brings the operating account to \$101,668.11

Star questioned the difference between the of assessment charges noted from Lisko and Rigney for LA Net, owner of Lot 3 in Unit 6. She stated that she still has seen no official document (RMA) that specifies the calculations for the yearly assessment. She was frustrated that the prior president Lisko, and Rigney had lost the legal documents.

A lengthy discussion developed regarding a [Reserve policy](#) draft that Star introduced. Van Ruyckvelt asked that the draft be read. The general consensus of the rest of the Board is that more policy is detrimental to the association. Star commented that the Board needed better management of its finances. We cannot expect that if we do not have enough money to cover an expense that the easy way out is to have special assessments or go door to door asking for contributions. If we don't have the money, loans are doubtful and large special assessments would be hard on the members and this can be avoided with planning.

One Board member commented that members should expect special assessment. Star stated that special assessments are difficult and can put a burden on those who live pay

check to pay check and they are not guaranteed to pass. She reminded the Board that the only way the \$1600 special assessment passed for the meters is that the Board had to make the concession to extend it over 3 yrs at ~\$500 per year because members were too financially stretched to pay in full in one year.

Rigney didn't want more rules. *Unfortunately he was the one who ignored the financial oversight policy and after the roads and water budget were overdrawn causing the reserves to be attacked without Board oversight. We think it is shortsighted of Rigney and those who agree with him that any chair should have carte-blanche to dig into the reserves just because in their mind it is an "emergency."*

Rigney claimed that Hines makes the decisions of whether money comes out of the reserves. *WRONG. Rigney seems to forget that the Board has a fiduciary responsibility to the members, Hines is not a Board member but a paid contractor. He will not be held liable should the association be sued.*

Sec of State update- the directors/officers need to be updated.

Enterprise bank update- in order to keep our safety deposit box we need to open an account. This is a change from the old Los Alamos Bank requirements.

NM Business Tax acct update – we have some old delinquent gross receipt tax accounts that need to be addressed. Thad Porch is willing to help for \$250. Star will try first to resolve, but will turn to Porch if necessary.

Delinquency report – there are 7 members delinquent from the past year(s) for a total of \$14,740.85. Star stated that is unacceptable and will continue to increase if we don't get more aggressive. She introduced the water turn-off provision in Bylaws Sec 8, under nonpayment remedies. She would like to revisit this possibility at the Feb meeting. With adequate notice according to our prior attorney, we could put a notice out in March, then again in April and by June turn off the water provided those delinquent have not signed up for a payment plan that is offered by a Board policy. This payment plan is for hardship cases and the a payment plan needs to get approved from the board.

#### **Water – J. Hines**

No reports generated this month due to his computer crashing.

Compliance – all reported OK

Toennis stated that there was some water near the Aspen Grove well house that may indicate a leak. Hines will keep an eye on it.

**Roads – Stuedell- absent**

**Legal – Cross- absent**

**Firewise – Cooke**

No report

**Architectural – Toennis**

No new requests for the month

**Parks – Vacant**

**Old Business**

President's chair is now open. There was no decision on who would take over the chair. Both the vice president and secretary declined.

**New Business**

Star introduced a memorandum of understanding (MoU) between SLPPOA and Sandoval County that was developed by the WMT in June of last year. The MoU was created to protect the SLP water resources and infrastructure during a fire event. The MoU was approved to be sent to Lee Taylor.

Star brought up the idea of changing the meeting date to accommodate the working members of the Board. Rigney mentioned that we cannot change the date. Star interceded that there was no rule in the Bylaws and that meeting dates have been changed in the past to accommodate the Board members.

Star recommended and the Board approve the next meeting be in-person at the fire station. The meeting date was changed to Feb 15 to avoid the Valentine's Day issue. Meeting will be at 6:30 pm. *We're glad to hear that the meetings may move away from the Zoom meetings. Meeting in person will bring a better understanding of our problems and more participation in these meetings.*

Rigney apologized for the length of the meeting. Apparently he didn't enjoy Star's run-on treasurer's report. *We see no reason that the Board can't dedicate more than 2 hours a month if the issues require it.*

Meeting adjourned to executive session 8:58 pm

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